GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:1755
ANSWERED ON:26.07.2017
Flexi Fare in Premium Trains
Chaudhary Shri Santokh Singh

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railways has conducted any survey to ascertain positive/adverse impact of flexi fare scheme introduced last year;
(b) if so, the outcome thereof;
(c) whether the Railways proposes to roll back flexi fare scheme in Rajdhani and Shatabdi trains in near future;
(d) if so, the details thereof and if not, the reasons therefor; and
(e) whether any committee has been constituted by the Railways to review the scheme and if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS
(SHRI RAJEN GOHAIN)

(a) to (e): A Statement is laid on the Table of the House.

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STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF UNSTARRED QUESTION NO. 1755 BY SHRI SANTOKH SINGH CHAUDHARY TO BE ANSWERED IN LOK SABHA ON 26.07.2017 REGARDING FLEXI FARE IN PREMIUM TRAINS

(a) to (e): Railways regularly monitor earning and occupancy of all trains including trains under flexi fare scheme. Review of all existing schemes is a continuous and ongoing process to effect further improvement. Accordingly, an interim review of the flexi fare scheme has been made and the following changes were made with effect from 20.12.2016 :-
(i) 10% rebate in basic fare on vacant berths/seats after preparation of first chart in Rajdhani, Shatabdi and Duronto trains.
(ii) Tatkal quota has been reduced in flexi fare trains from maximum 30% to 10% of the total available berths.
(iii) Discounted fare has been offered in T. No. 12015/12016 New Delhi-Ajmer Shatabdi Express for the passengers travelling between Jaipur-Ajmer and Ajmer-Jaipur and in T.No. 12007/12008 Chennai Central-Mysuru Shatabdi Express for the passengers travelling between Bengaluru-Mysuru and Mysuru- Bengaluru.

Operating cost of running of passenger services is increasing year after year resulting in adverse impact on profitability of passenger segment. Passenger segment is being cross subsidised by the freight segment. In order to generate additional revenues from passenger segment and reduce cross-subsidisation from freight, flexi fare system has been introduced with effect from 09.09.2016 in all classes of reserved accommodation except First AC and Executive class of premium segment trains (Rajdhani, Shatabdi and Duronto trains) which offer faster transit time and higher level of amenities. Additional earnings of about `551 crore has been generated from the trains under flexi fare scheme (Rajdhani, Shatabdi and Duronto trains) during the period from 09.09.2016 to 30.06.2017.
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